

UNITED HEALTHCARE OF TENNESSEE, INC.

The certificate of authority was issued on **9/13/91** to **Complete Health of TN, Inc..**

On **5/9/96**, the name was changed to **United Healthcare of TN, Inc.**

On **12/31/96** **Healthwise of TN, Inc.** merged into United Healthcare of TN, Inc.

ADDRESS:

10 Cadillac Dr., Suite 200 - Brentwood, TN 37027 - (615) 372-3450

WEBSITE ADDRESS:

www.uhc.com

Service Area by County

West Tennessee Area: Benton, Carroll, Chester, Crockett, Decatur, Dyer, Fayette, Gibson, Hardeman, Hardin, Haywood, Henderson, Houston, Humphreys, Lake, Lauderdale, Madison, McNairy, Obion, Perry, Shelby, Stewart, Tipton, and Wayne

Middle Tennessee Area: Bedford, Cannon, Cheatham, Coffee, Davidson, DeKalb, Dickson, Franklin, Giles, Grundy, Hickman, Jackson, Lawrence, Lewis, Lincoln, Macon, Marion, Marshall, Maury, Montgomery, Moore, Overton, Putnam, Robertson, Rutherford, Sequatchie, Smith, Sumner, Trousdale, Van Buren, Warren, White, Williamson, and Wilson

East Tennessee Area: Anderson, Bledsoe, Blount, Bradley, Campbell, Claiborne, Cocke, Cumberland, Greene, Hamblen, Hamilton, Jefferson, Knox, Loudon, McMinn, Meigs, Monroe, Polk, Rhea, Roane, Scott, and Sevier

The Independent Review Organizations used by this HMO are CORE and Best Doctors, Inc.

IRO APPEALS	Number Requested	Resolved	Resolved
		in favor of member	in favor of HMO
year ending 12/31/2004	0	0	0
year ending 12/31/2003	0	0	0

year ending 12/31/2002	0	0	0
year ending 12/31/2001	0	0	0
year ending 12/31/2000	0	0	0
year ending 12/31/1999	0	0	0

HMO GRIEVANCE STATISTICS

NUMBER OF GRIEVANCES/INQUIRIES FOR 2004 of the grievances reported **49%** were resolved successfully
of the grievances reported **51%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service		0	0	0	0
2) claim payment/amount of payment		102	102	37	65
3) contract terms and conditions		172	172	103	69
4) other		302	302	156	146
TOTAL		576	576	296	280

NUMBER OF GRIEVANCES/INQUIRIES FOR 2003 of the grievances reported **53%** were resolved successfully
of the grievances reported **47%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service		0	0	0	0
2) claim payment/amount of payment		64	64	61	3
3) contract terms and conditions		304	304	135	169
4) other		17	17	9	8
TOTAL		385	385	205	180

NUMBER OF GRIEVANCES/INQUIRIES FOR 2002 of the grievances reported **52%** were resolved successfully
of the grievances reported **48%** were resolved adversely

Number of	Number of	Number of	Number of	Number of
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CATEGORY	Inquiries to the HMO	written grievances	resolved grievances	adverse decisions	successful resolutions
1) availability/delivery of service	0	4	4	2	2
2) claim payment/amount of payment	28	38	38	2	36
3) contract terms and conditions	41	317	317	179	138
4) other	22	19	19	0	19
TOTAL	91	378	378	183	195

NUMBER OF GRIEVANCES/INQUIRIES FOR 2001

of the grievances reported **71%** were resolved successfully
of the grievances reported **29%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service		6	6	0	6
2) claim payment/amount of payment		179	179	6	179
3) contract terms and conditions		582	582	232	350
4) other		63	63	3	60
TOTAL		824	824	235	589

NUMBER OF GRIEVANCES/INQUIRIES FOR 2000

of the grievances reported **69%** were resolved successfully
of the grievances reported **31%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	2	75	75	7	68
2) claim payment/amount of payment	4	14	14	0	14
3) contract terms and conditions	6	291	291	88	203
4) other	6	99	99	56	43
TOTAL	18	479	479	151	328

NUMBER OF GRIEVANCES/INQUIRIES FOR 1999

of the grievances reported **68%** were resolved successfully

of the grievances reported **31%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	96	196	196	73	123
2) claim payment/amount of payment	0	0	0	0	0
3) contract terms and conditions	105	163	163	73	90
4) other	9	80	80	8	72
TOTAL	210	439	439	154	285

NUMBER OF GRIEVANCES/INQUIRIES FOR 1998 of the grievances reported **59%** were resolved successfully
of the grievances reported **31%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	N/A	N/A	N/A	N/A	N/A
2) claim payment/amount of payment	N/A	N/A	N/A	N/A	N/A
3) contract terms and conditions	N/A	N/A	N/A	N/A	N/A
4) other	N/A	N/A	N/A	N/A	N/A
TOTAL	391	392	384	118	226

PLEASE NOTE: an adverse decision indicates the decision was against member, not that the HMO was incorrect
a succesful resolution means the grievance was resolved to the members satisfaction
N/A means the information was not provided

10 YEAR MEMBER ENROLLMENT STATISTICS

Year	Individual Members	Medicare members	Group members	Number groups	TOTAL members	Average Annual
year ending 12/31/04	26	0	19,940		19,966	25,344
year ending 12/31/03	0	0	50,096	N/A	50,096	44,413
year ending 12/31/02	0	0	59,804	N/A	59,804	66,218
year ending 12/31/01	28	0	89,630	2,520	89,658	88,924
year ending 12/31/00	0	0	105,684	N/A	105,684	102,194

year ending 12/31/99	52	611	105,950	N/A	106,222	108,950
year ending 12/31/98	73	50	119,831	N/A	119,954	124,295
year ending 12/31/97	0	0	139,107	N/A	139,107	136,172
year ending 12/31/96	0	0	148,697	N/A	148,697	105,598
year ending 12/31/95	0	0	76,327	N/A	76,327	55,825
year ending 12/31/94	0	0	30,786	N/A	30,786	28,262

UNITED HEALTHCARE OF TENNESSEE, INC.

	As of 3/31/2005	As of 6/30/2005	As of 9/30/2005	As of 12/31/2005
ASSETS	25,060,075	25,463,625	19,222,157	18,577,992
LIABILITIES	8,771,755	8,656,719	9,759,624	7,889,220
TOTAL MEDICAL AND HOSPITAL EXPENSES	8,544,420	21,813,558	32,477,002	42,468,947
TOTAL ADMINISTRATIVE EXPENSES	2646647	5237977	6663986	10,719,906
UNCOVERED EXPENSES	875,547	2,007,139	3,373,675	4,926,503
PREMIUMS NON TN CARE	14,943,830	30,391,159	45,437,754	60,015,906
TOTAL CAPITAL AND SURPLUS	16,288,320	16,806,906	9,462,533	10,688,772
NET INCOME	1,604,152	2,030,452	3,254,947	4,526,816
RATIO OF MEDICAL EXPENSES TO PREMIUMS	57.18%	71.78%	71.48%	70.76%
RATIO OF ADMINISTRATIVE EXPENSES TO PREMIUMS	17.71%	17.24%	14.67%	17.86%